Alberta
Minimum Wage Profile

April 2012 - March 2013

May 2013

Alberta
Government

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Introduction

The *Alberta Minimum Wage Profile* presents current information on minimum wage earners in Alberta and other provinces. Statistics include the percentage of employees[1] earning minimum wage in each province plus the characteristics of Alberta minimum wage earners[2].

The profile is based on minimum wage rates that are effective for two reference periods: April 1, 2011 to March 31, 2012 and April 1, 2012 to March 31, 2013.

Interprovincial Analysis

Over the two reference periods, Alberta's minimum wage rose from $9.40 on September 1, 2011 to $9.75 on September 1, 2012. The percentage of employees earning minimum wage in Alberta increased over the two reference periods from 1.6% to 1.8% or from 26,000 to 29,300. Employment in Alberta rose in the April 1, 2012 to March 31, 2013 reference period, compared to the previous period. For Canada, the proportion remained the same between the two periods at 7.0% as provinces raised their minimum wages. (Figure 1)

Figure 1: Percentage of Employees Earning Minimum Wage

	April 2011 - March 2012	April 2012 - March 2013
Alberta	1.6%	1.8%
Canada	7.0%	7.0%

Between March 31, 2012 and March 31, 2013, eight provinces raised their minimum wage rates. (Figure 2)

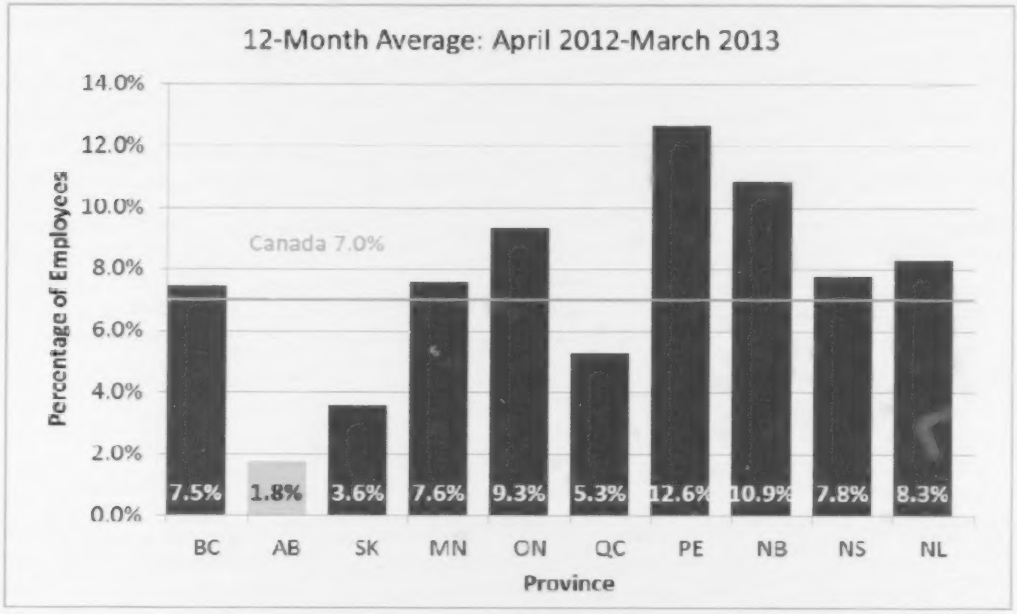
Figure 2: Provinces with Increases in Minimum Wage between March 31, 2012 and March 31, 2013

Province	March 31, 2012	March 31, 2013
Prince Edward Island	$9.60	$10.00
Quebec	$9.65	$9.90
New Brunswick	$9.50	$10.00
Manitoba	$10.00	$10.25
Nova Scotia	$10.00	$10.15
Alberta	$9.40	$9.75
Saskatchewan	$9.50	$10.00
British Columbia	$9.50	$10.25

[1] See definition in Appendix A
[2] See definition in Appendix A

Most of Alberta's employees earned more than minimum wage. Between April 2012 and March 2013, of 1,642,400 employees[3] in Alberta's organizations, 1.8% or 29,300 earned minimum wage. Alberta has the lowest percentage of minimum wage earners among Canadian provinces. (Figure 3)

Figure 3: Percentage of Employees Earning Minimum Wage by Province



[3] The analyses in this profile excluded 518,300 individuals who were self-employed, unpaid family workers or who worked more than 44 hours per week.

Three provinces have scheduled increases to their minimum wage rates in 2013. Figure 4 shows a summary of upcoming minimum wage increases in 2013. (For more information, see Appendix B)

Figure 4: Provinces with Upcoming Minimum Wage Increases

Province	Minimum Hourly Wage Rate as of March 31, 2013	New Minimum Hourly Wage Rate	Effective Date
Nova Scotia	$10.15	$10.30	April 1, 2013
Quebec	$9.90	$10.15	May 1, 2013
Alberta	$9.75	$9.95	September 1, 2013

Detailed information about minimum wage rates can also be found at the website: http://srv116.services.gc.ca/dimt-wid/sm-mw/rpt1.aspx?lang=eng

Alberta Analysis

In Alberta, between April 2012 and March 2013, the summary profile of a minimum wage earner was as follows:

- 15-19 years old
- employed part-time
- in permanent employment
- non-union employee
- less than one year job experience
- in Accommodation and food services
- in Sales and service occupations, n.e.c.[4]
- some high school
- female

[4] Not elsewhere classified

At 41.8%, the 15 to 19 year old group remained the largest group of Alberta's minimum wage earners, and the 20 to 24 year old group was the second largest in the April 2012 and March 2013 period. (Figure 5)

The proportion of minimum wage earners increased for the following four age groups in the April 2012 – March 2013 period compared to the April 2011 – March 2012 period: 15 to 19 years old, 20 to 24 years old, 40 to 44 years old, and 45 to 49 years old. There were proportionately fewer minimum wage earners in all other age groups in the current reference period compared to the previous period. (Figure 5)

Figure 5: Proportion of Alberta Minimum Wage Earners by Age (years)

	April 2011 - March 2012	April 2012 - March 2013
15-19	36.1%	41.8%
20-24	13.8%	16.3%
25-29	9.7%	5.9%
30-34	6.5%	5.4%
35-39	7.0%	5.8%
40-44	6.4%	7.0%
45-49	3.9%	5.2%
50-54	6.0%	4.5%
55+	10.6%	8.0%
Total	100%	100%

In contrast to the previous 12 month period, just over half, or 54%, of minimum wage earners worked part-time between April 2012 and March 2013. (Figure 6)

Figure 6: Proportion of Alberta Minimum Wage Earners by Type of Work

	April 2011 - March 2012	April 2012 - March 2013
Full-Time	46.3%	46.0%
Part-Time	53.7%	54.0%
Total	100%	100%

As in the previous reference period, a larger proportion, or 72.6% of minimum wage earners was in permanent employment. (Figure 7)

Figure 7: Proportion of Alberta Minimum Wage Earners by Job Permanence

	April 2011 - March 2012	April 2012 - March 2013
Permanent	76.4%	72.6%
Temporary*	23.6%	27.4%
Total	100%	100%

Over 90% of Alberta's minimum wage earners were non-union employees. Compared to the previous period, the proportion of unionized employees earning minimum wage increased by 2 percentage points in the April 2012 to March 2013 reference period. (Figure 8, next page)

**includes seasonal, temporary, and casual employees.*

Figure 8: Proportion of Alberta Minimum Wage Earners by Union Status

	April 2011 - March 2012	April 2012 - March 2013
Non-Union Employee	93.1%	91.0%
Union Member	6.2%	8.2%
Covered by Collective Agreement, Not Member	0.8%	0.8%
Total	100%	100.0%

Of all minimum wage earners, 48.7% had less than one year of job tenure in the April 2012 – March 2013 reference period. The proportion that had one to five years of job tenure was 37.4%, which was higher than the 31.8% in the previous reference period. Overall, the proportion of minimum wage earners who had job tenure of five years or less increased from 80.4% in the previous period to 86.1% in the current reference period. (Figure 9)

Figure 9: Proportion of Alberta Minimum Wage Earners by Job Tenure

	April 2011 - March 2012	April 2012 - March 2013
Less than One Year	48.6%	48.7%
One to Five Years	31.8%	37.4%
More than Five Years	19.6%	13.9%
Total	100%	100.0%

Between April 2012 and March 2013, more than half, or 55.8%, of Alberta's minimum wage earners were employed in two industries: Retail Trade and Accommodation and Food Services. Another 10.1% of Alberta's minimum wage earners were employed in Other Services[5]. (Figure 10)

Figure 10: Proportion of Alberta Minimum Wage Earners by Industry

	April 2011 - March 2012	April 2012 - March 2013
Accommodation and Food Services	25.6%	29.5%
Retail Trade	27.1%	26.3%
Other Services (except Public Administration)	8.4%	10.1%
Information, Culture and Recreation	6.3%	8.5%
Educational Services	6.0%	3.8%
All Other Industries	26.6%	21.9%
Total	100%	100%

Between April 2012 and March 2013, more than half of Alberta's minimum wage earners worked in the following three occupational groups: Sales and service occupations n.e.c.[6], 27.5%; Retail salespersons, sales clerks, cashiers, including retail trade supervisors, 24.6%; and Chefs, cooks, and food and beverage service, including supervisors, 10.7%. (Figure 11)

[5] This sector comprises establishments, not classified to any other sector, primarily engaged in repairing, or performing general or routine maintenance, on motor vehicles, machinery, equipment, and other products to ensure that they work efficiently; providing personal care services, funeral services, laundry services, and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities; supporting various causes through grant-making, advocating (promoting) various social and political causes, and promoting and defending the interests of their members. Private households are also included.

[6] Not elsewhere classified

Figure 11: Proportion of Alberta Minimum Wage Earners by Occupation

	April 2011 - March 2012	April 2012 - March 2013
Sales and service occupations n.e.c.	26.1%	27.5%
Retail sales persons, sales clerk, cashiers	21.8%	24.6%
Chefs, cooks, food and beverage service	12.2%	10.7%
Clerical occupations	8.7%	9.4%
Financial, secretarial and administrative	4.3%	2.9%
All other occupations	26.9%	25.0%
Total	100%	100%

Of all Alberta minimum wage earners over the April 2012 to March 2013 period, 34.6% had some high school education and 23.9% were high school graduates. The proportion that did not complete high school was slightly larger in the current period, at 36.0%, compared to the previous period, at 33%. (Figure 12)

Figure 12: Proportion of Alberta Minimum Wage Earners by Highest Educational Attainment

	April 2011 - March 2012	April 2012 - March 2013
0-8 Years (Elementary)	1.1%	1.4%
Some High School	31.9%	34.6%
High School Graduate	25.9%	23.9%
Some Post-Secondary	10.9%	10.0%
Post-Secondary Certificate or Diploma	19.5%	16.7%
University Degree	10.7%	13.4%
Total	100%	100%

Females made up 67.1% of the minimum wage earners in Alberta in the current reference period, which is higher than the 55.3% in the previous period. The proportion of male minimum wage earners between April 2012 and March 2013 was 32.9%. (Figure 13)

Figure 13: Proportion of Alberta Minimum Wage Earners by Gender

	April 2011 - March 2012	April 2012 - March 2013
Female	55.3%	67.1%
Male	44.7%	32.9%
Total	100%	100%

Methodology, Definitions and Detailed Interprovincial Minimum Wage Information

For information on the methodology and definitions, see Appendix A. Appendix B gives detailed information on upcoming changes to minimum wage rates in the provinces.

Appendix A

Methodology

The data for this profile are gathered from the Labour Force Survey (LFS) conducted by Statistics Canada. Each month, the Socioeconomic and Statistics Unit of Alberta Enterprise and Advanced Education receives LFS files from Statistics Canada. This includes a microdata file, which contains the complete file of all LFS responses.

The minimum wage analysis is performed on the microdata using the statistical software package SAS. The Canadian territories are excluded from this analysis. Twelve-month averages are used to ensure the results are not affected by seasonality. The microdata files for each of the twelve months examined are combined into one large data set and annual averages are then calculated. For example, in this profile, the results are an average of the April 2012 to March 2013 numbers.

Minimum wage rates often change; therefore the minimum wage profile will differ from one report to the next.

Occupational and industrial classifications were based on the following.

National Occupational Classification for Statistics 2006
http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?lang=eng&catno=12-583-X

North American Industry Classification System – Canada 2007
http://www.statcan.gc.ca/pub/12-501-x/12-501-x2007001-eng.pdf

All data are from Statistics Canada, Labour Force Survey microdata files, with the following exceptions:

Appendix B: Fact Sheet: Minimum Hourly Wage Rates
Source: Alberta Human Services, Workplace Standards; Human Resources and Skills Development Canada; and various Provincial Government official websites

Appendix A (Continued)

Definitions

These definitions are from Statistics Canada, except for "Employees" and the occupational and industrial groups.

Employees
In this analysis, people who were either self-employed or listed as having an hourly wage rate of $0.00 were removed from the overall employment figure to determine the number of employees. Employees working greater than 44 hours were also excluded from the analysis. Please note that the number of employees in organizations is different from the employment figure for Alberta.

Full-Time Employees
People who usually work 30 hours or more per week at their main or only job.

Minimum Wage Earner
People who earned minimum wage or less. Some employees fall outside the scope of the Employment Standards Code's minimum wage provisions and may earn less than minimum wage. See Section 8 of the Employment Standards Regulation and section 2(3)(g) of the Code for more information.

Occupations in Social Science, Government Service and Religion
Occupations in this major group include Recreation, sports and fitness program supervisors and Early childhood educators and assistants.

Other Services (except Public Administration) Industry
Consists of establishments engaged in repairing or performing general maintenance on motor vehicles, machinery, equipment, and other products; providing personal care services, funeral services, laundry services and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities, supporting various causes through grant-making, advocating (promoting) social and political causes, and promoting and defending the interests of their members. Private households are also included.

Part-Time Employees
People who usually work less than 30 hours per week at their main or only job.

Permanent Job
A permanent job is one that is expected to last as long as the employee wants it, given that business conditions permit. There is no pre-determined termination date.

Sales and Service Occupations n.e.c.
Occupations in this major group are primarily concerned with providing services not elsewhere classified in other Sales and service occupational groups, non-store retail sales not elsewhere classified and providing services related to sales. Examples of occupations in this category include Attendants in recreation and sport as well as supervisors.

Temporary Job
A temporary job has a predetermined end date, or will end as soon as a specified project is completed. Included in temporary jobs are seasonal, temporary, term or contract jobs; also include work done through a temporary help agency; casual jobs; and other temporary work.

Wage
Hourly wage/salary before taxes and other deductions, and include tips and commissions.

Appendix B

FACT SHEET: MINIMUM HOURLY WAGE RATES

Jurisdiction	General Rate for Adult Workers[i]	Effective Date (D/M/Y)	Rate for Young and Inexperienced Workers	Effective Date (D/M/Y)
Federal	Same as the general adult minimum wage rate of the province or territory where the work is performed.	18/12/96	Employees under 17: same as the general adult minimum wage rate of the province or territory where they work.	18/12/96
Alberta[ii]	**$5.90** **$7.00** **$8.00** **$8.40** **$8.80** **$8.80** **$9.40** **No change** **No change** **$9.75** **No change**	01/10/99 01/09/05 01/09/07 01/04/08 01/04/09 01/04/10 01/09/11 01/04/12 01/05/12 01/09/12 01/05/13	Same as adult rate. $9.05 (liquor servers)[iii]	
British Columbia	**$8.00** **$8.75** **$9.50** **$10.25** **No change**	01/11/01 01/05/11 01/11/11 01/05/12 01/05/13	**$6.00** **No longer in effect** (for inexperienced employees)[iv] $8.50 $8.75 $9.00 (liquor servers)	15/11/01 01/05/11
Manitoba	**$8.00** **$8.50** **$8.75** **$9.00** **$9.50** **$10.50** **$11.00** **$11.50** **$9.50** **$10.00** **$10.25** **No change**	01/04/07 01/04/08 01/05/09 01/10/09 01/10/10 01/09/10 01/04/10 01/09/10 01/10/10 01/10/11 01/10/12 01/05/13	Same as adult rate.	
New Brunswick	**$7.25** **$7.75**	01/07/07 31/03/08	Same as adult rate.	

Jurisdiction	General Rate for Adult Workers[i]	Effective Date (D/M/Y)	Rate for Young and Inexperienced Workers	Effective Date (D/M/Y)
	$8.00	15/04/09		
	$8.25	01/09/09		
	$8.50	01/04/10		
	$9.00	01/09/10		
	$9.50	01/04/11		
	$10.00	01/04/12		
	No change			
	$10.00	01/04/12		
	No change	01/05/12		
	No change	01/05/13		
Newfoundland and Labrador	**$7.50**	01/10/07	Same as adult rate.	
	$8.00	01/04/08		
	$8.50	01/01/09		
	$9.00	01/07/09		
	$9.50	01/01/10		
	$10.00	01/07/10		
	No change	01/05/12		
	No change	01/05/13		
Nova Scotia	**$7.60**	01/05/07	**$7.15**	01/05/07
	$8.10	01/05/08	**$7.60**	01/05/08
	$8.60	01/04/09	**$8.10**	01/04/09
	$9.20	01/04/10	**$8.70**	01/04/10
	$9.65	01/10/10	**$9.15**	01/10/10
	$10.00	01/10/11	**$9.50**	01/10/11
	$10.15	01/04/12	**$9.65**	01/04/12
	No change	01/05/12		
	$10.30	01/04/13	**$9.80**	01/04/13
	No change	01/05/13	(for inexperienced employees)[v]	
Ontario	**$8.00**	01/02/07	**$7.50**	01/02/07
	$8.75	31/03/08	**$8.20**	31/03/08
	$9.50	31/03/09	**$8.90**	31/03/09
	$10.25	31/03/10	**$9.60**	31/03/10
	No change	01/05/12	(for students)[vi]	
	No change	01/05/13	$8.90 for liquor servers	31/03/10
Prince Edward Island	**$7.15**	01/04/06	Same as adult rate.	
	$7.50	01/04/07		
	$7.75	01/05/08		
	$8.00	01/10/08		
	$8.20	01/06/09		
	$8.40	01/10/09		
	$8.70	01/06/10		
	$9.00	01/10/10		
	$9.30	01/06/11		

Jurisdiction	General Rate for Adult Workers[1]	Effective Date (D/M/Y)	Rate for Young and Inexperienced Workers	Effective Date (D/M/Y)
	$9.60 **$10.00** **No change** **No change**	01/10/11 01/04/12 01/05/12 01/05/13		
Quebec	**$8.00** **$8.50** **$9.00** **$9.50** **$9.65** **$9.90** **$10.15**	01/05/07 01/05/08 01/05/09 01/05/10 01/05/11 01/05/12 01/05/13	Same as adult rate. $7.25 $7.75 $8.00 $8.25 $8.35 $8.55 $8.75 (for employees receiving tips)	 01/05/07 01/05/08 01/05/09 01/05/10 01/05/12 01/05/13
Saskatchewan	**$6.35** **$6.65** **$7.05** **$7.55** **$7.95** **$8.25** **$8.60** **$9.25** **$9.50** **No change** **$10.00** **No change**	01/05/02 01/11/02 01/09/05 01/03/06 01/03/07 01/01/08 01/05/08 01/05/09 01/09/11 01/05/12 01/12/12 01/05/13	Same as adult rate. SK Wage Enquiry 1 800 667 1988 Wage review mandated every 2 years 31/12/13 (next review)	

Source: Labour Law Analysis
Employment Standards Policy and Legislation
Labour Program, Human Resources and Skills Development Canada
May 6, 2013

Notes:

[i] In many jurisdictions, special minimum, wage rates apply to certain specific occupations (e.g., domestics, salespersons, crop harvesters and employees who usually receive gratuities).
[ii]Effective September 1, 2011, a new mechanism for determining future increases to minimum wage will be introduced, which will be a simple average of changes to Alberta's average weekly earnings and changes to the Consumer Price Index in Alberta.
[iii]In Alberta, liquor servers are defined as employees who serve alcohol to customers as a regular part of their job in a licensed establishment. This includes bartenders, waiters and waitresses.
[iv]In British Columbia, "inexperienced employees" are those who had no paid employment experience prior to November 15, 2001 and who have since accumulated less than 500 hours of paid employment experience with one or more employers.
[v]In Nova Scotia, the term refers to those who have not been employed for more than three months by any employer to do the work for which they are presently employed.
[vi]These rates apply to students under 18 who are employed up to 28 hours in a week, or during a school holiday.

APPENDIX C

The following minimum wage comparison table factors in taxes (as of April 1, 2013) and then ranks the provinces with the highest to the lowest after tax wage rate. Please note that this table and the graph below it were based on the minimum wages as of April 1, 2013.

Minimum Wage Comparisons
2013

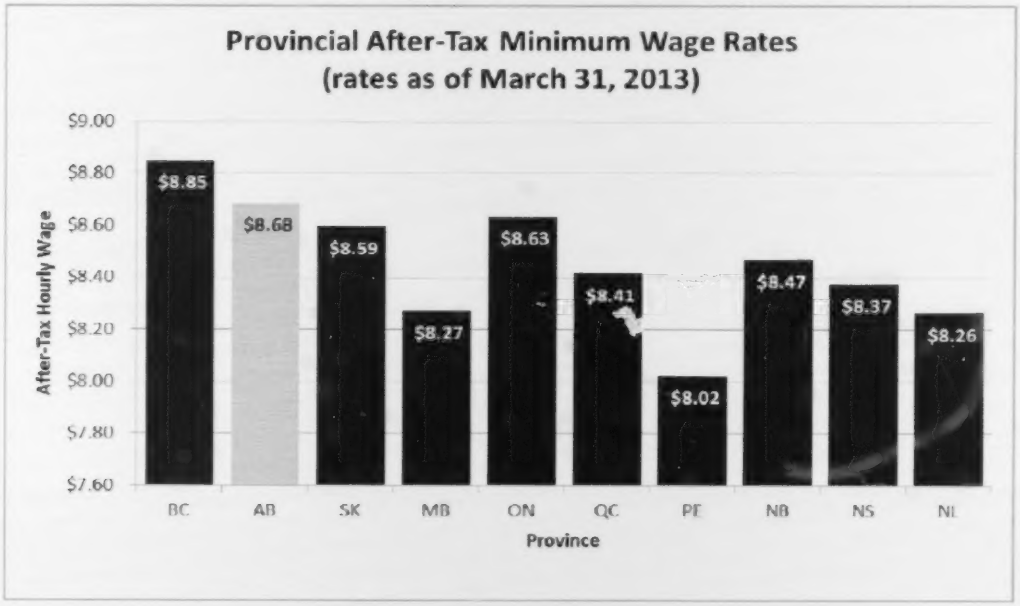
* For Single Income Earners

	AB	BC	SK	MB	ON	QC	NB	NS	PE	NL
Minimum Wage Rate	$ 9.75	$ 10.25	$ 10.00	$ 10.25	$ 10.25	$ 9.90	$ 10.00	$ 10.30	$ 10.00	$ 10.00
Salary (2000 hrs)	$ 19,500	$ 20,500	$ 20,000	$ 20,500	$ 20,500	$ 19,800	$ 20,000	$ 20,600	$ 20,000	$ 20,000
Federal Tax	**$ 2,058**	**$ 2,283**	**$ 2,169**	**$ 2,262**	**$ 2,280**	**$ 2,185**	**$ 2,168**	**$ 2,293**	**$ 2,149**	**$ 2,159**
Personal Income Tax	$928	$1,068	$998	$1,068	$1,068	$960	$998	$1,082	$998	$998
CPP/EI/QPP	$1,159	$1,227	$1,193	$1,227	$1,227	$1,243	$1,193	$1,234	$1,193	$1,193
GST	($28)	($11)	($22)	($33)	($15)	($18)	($22)	($23)	($41)	($31)
Provincial Tax	**$ 75**	**$ 521**	**$ 643**	**$ 1,698**	**$ 958**	**$ 788**	**$ 895**	**$ 1,560**	**$ 1,809**	**$ 1,314**
Personal Income Tax	$75	$120	$158	$1,098	$490	$333	$192	$682	$1,088	$628
Sales Tax	$0	$401	$485	$599	$438	$420	$703	$878	$721	$686
Health Care Premium	$0	$0	$0	$0	$30	$35	$0	$0	$0	$0
Summary										
Before Tax Ranking	10	2	5	2	2	9	5	1	5	5
Total Tax	$ 2,133	$ 2,805	$ 2,812	$ 3,959	$ 3,238	$ 2,973	$ 3,064	$ 3,853	$ 3,958	$ 3,473
After Tax Salary	$ 17,367	$ 17,695	$ 17,188	$ 16,541	$ 17,262	$ 16,827	$ 16,936	$ 16,747	$ 16,042	$ 16,527
After Tax Wage Rate	$ 8.68	$ 8.85	$ 8.59	$ 8.27	$ 8.63	$ 8.41	$ 8.47	$ 8.37	$ 8.02	$ 8.26
After Tax Ranking	2	1	4	8	3	6	5	7	10	9

Based on the best information available as of: May 10, 2013 for the: 2013 provincial tax systems. Minimum w age rates as of: April 1, 2013

NOTE: This comparison assumes that all income is from employment and only personal, CPP, and EI credits are claimed. No shifting assumptions are made.

Appendix C (Continued)



Alberta had the second highest provincial after-tax minimum wage rate, as of March 2012. In April 2008, Alberta had the highest after-tax minimum wage rate of the ten provinces.

Before tax, Nova Scotia has the highest minimum wage rate in the country, as of April 2013. BC Manitoba and Ontario tied for the second highest before tax minimum wage rate.

Source: Alberta Finance and Enterprise
March 2013